



Cyclicity in Help-wanted Advertising

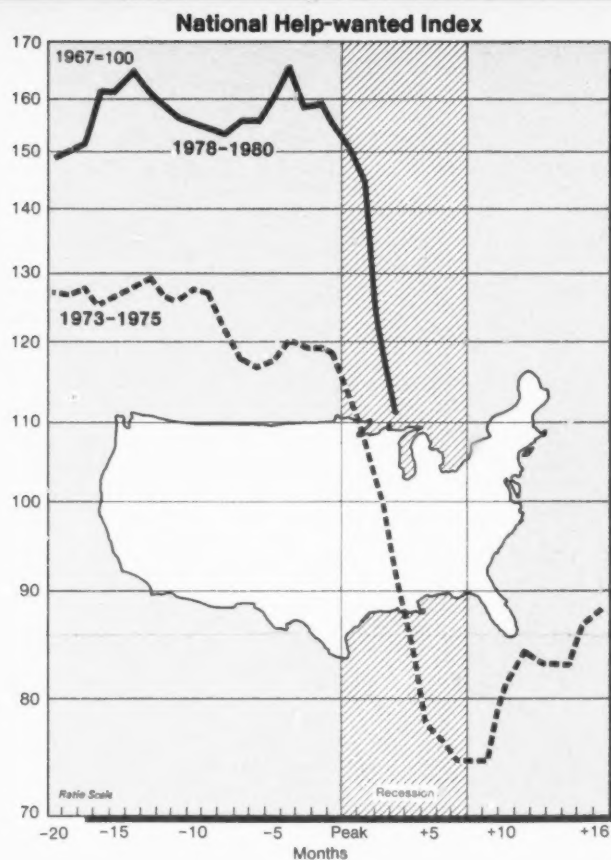
Economic Road Maps

No. 1883

July, 1980

The employment and unemployment data generated by the Bureau of Labor Statistics are aimed at measuring the demand for jobs. However, there are few data available to quantify the supply of job openings. One of the most reliable sets of data to serve that function is The Conference Board's series on help-wanted advertising. These figures measure the number of classified help-wanted ads in major cities around the country.

Job advertising is an initial step in the hiring process (although not every job is advertised, nor is every opening filled via a newspaper ad). Therefore, help-wanted ad volume is a barometer of business plans for the production of goods and services. Specifically, as orders decline, businesses curtail employment advertising before making the weighty (and costly) decision to lay off workers. That makes help-wanted advertising a leading indicator of peaks in the business cycle.



The economy is in the midst of the seventh recession since World War II. (Since the Help-Wanted Index dates from 1951, there are no data for the 1949 recession.) In the relatively mild recessions of 1960-1961 and 1969-1970, the drop in help-wanted volume was rather moderate. In 1953-1954 and 1957-1958, both the overall recessions and the help-wanted ad declines were more severe. The ad index dropped very sharply in the steep recession of 1974-1975 and has been falling rapidly again this year.

Help-wanted advertising data are collected in 51 major labor markets throughout the country. Totals are calculated for each of the nine census-designated regions, as well as for the whole nation. The Northeast and Midwest have typically had much sharper declines in want-ad volume than other regions, except the Pacific. These regions have always had heavy concentrations of durable goods industries—such as steel, autos and metal processing. The durability of their products means that replacement can be postponed, and that is precisely what occurs when economic activity slows down. Hence, these are the industries that undergo the “boom and bust” of the business cycle, and this is an important factor in making the Northeast and Midwest cyclically sensitive. However, shifts of population and industry have diffused the concentration of cyclically sensitive industries to some degree. This is one reason why New England and the Middle Atlantic were not quite so sharply affected in the 1974-1975 recession as in earlier ones. On the other hand, some parts of the South as well as the Mountain region appear to have become more sensitive to swings in business activity. Since these regions are high growth areas, construction (another cyclically-sensitive process) has become a significant part of their economies.

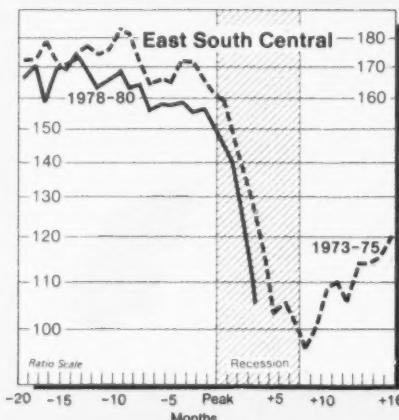
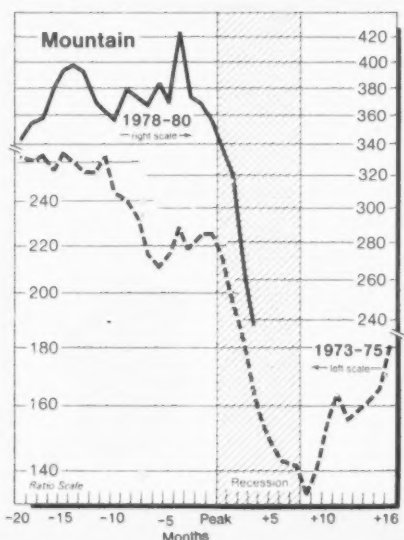
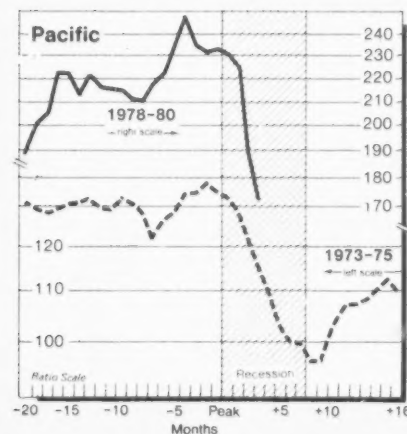
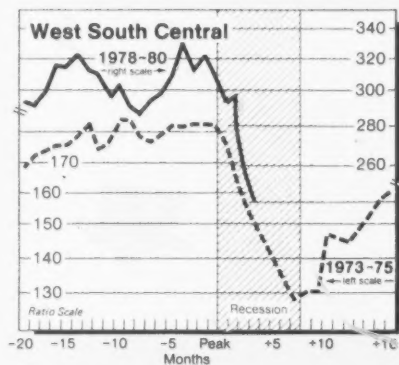
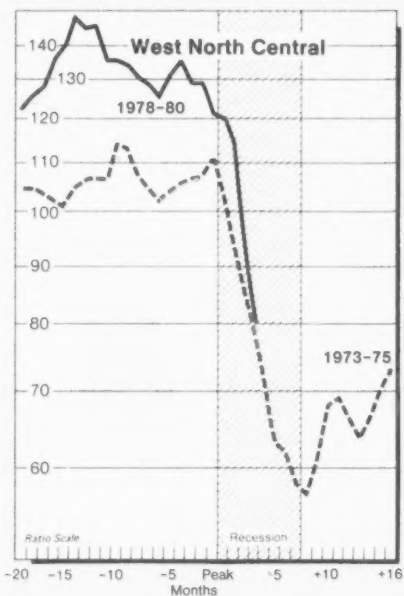
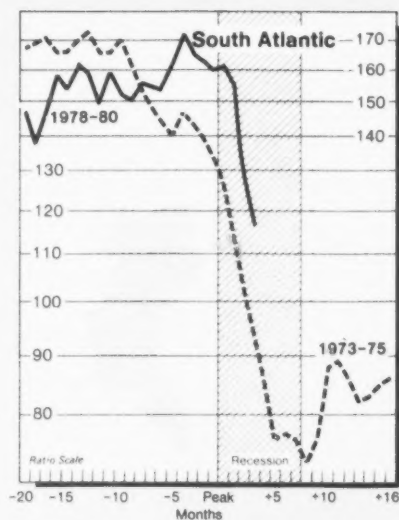
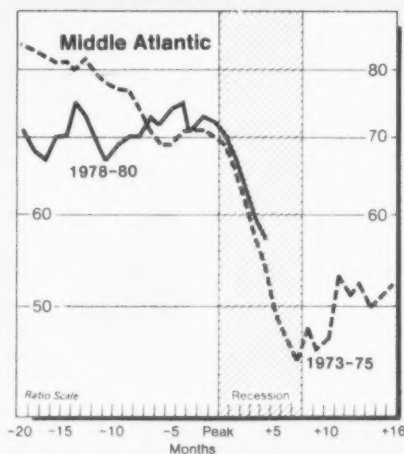
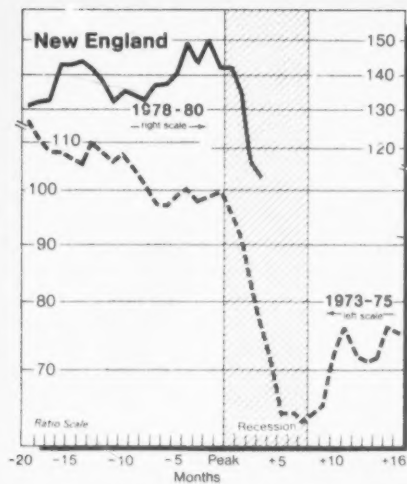
The Pacific has been a high-growth region through most of the post-war era. Construction, then, is important in the regional economy. Also, the region contains some very cyclically-sensitive industries such as aircraft construction, forestry, aluminum smelting, and mining. Moreover, the region has considerable defense-related industry, which is prone to “boom and bust” swings in activity due to the pattern of development funding.

Ken Goldstein

Source: The Conference Board.

Regional Trends in Help-wanted Advertising

Help-wanted Index



ECONOMIC ROAD MAPS

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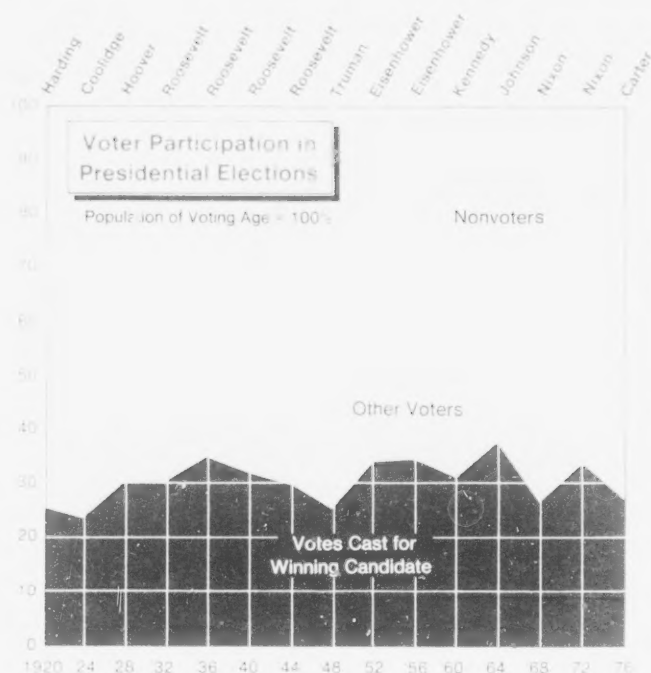
Presidential Elections U.S.A.

Economic Road Maps

Nos. 1854 - 1885

August 1980

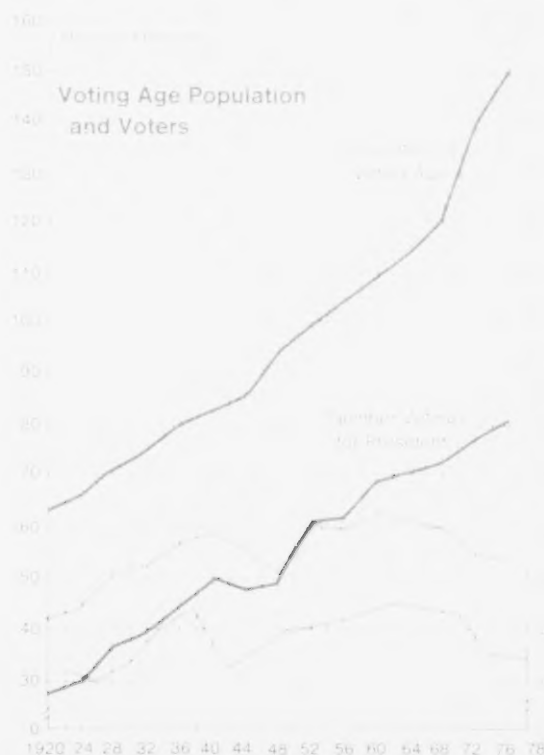
Political office holders at every level of government in the United States are elected by popular vote. Voters are thus called upon to cast ballots frequently, and elect a variety of officials—president; senators and representatives (both federal and state); governors; judges; coroners; town council, and school board members; county sheriffs; and so on. But in spite of the wide-ranging responsibility placed in the hands of the electorate, voter turnout has been much lower in this country than in most other democracies. The Constitution specifies that the President and Vice President are elected by Electors, who are chosen by popular vote in each state in a number equal to the state's members of Congress. Should none of the candidates receive a simple majority of the Elector's vote, the House of Representatives elects the President with each state having one vote. This has occurred only once—in 1824—but is spoken of as a possibility this year.



Voter turnout continues to lag in spite of the length of the presidential campaign, the steadily increasing number of states holding primary elections, the media exposure, the vast sums of money spent by the candidates, and the reform of the registration system in the 1960's in order to stimulate participation. The 1976 Presidential elections attracted 54% of the voting-age population, two years later (a non-presidential year) only 35% voted. This means that some 60 million eligible individuals in 1976, and 82 million in 1978, failed to cast a ballot.

Change in the age distribution of the electorate has contributed significantly to the decline in voter participation. The 26th Amendment to the Constitution, ratified in 1972, lowered the voting age from 21 to 18. This added approximately 11 million young people to the voting-age

population. Previously, the voting-age population included only persons aged 21 and over, except in a few states where the voting age was lower. The voting-age population grew by about 5 million people between presidential election years during much of this century, but between 1968 and 1972 the number of potential voters rose by some 20 million. In addition to the lowering of the voting age, the coming of age of the baby boom generation contributed to this sudden bulge in the electorate. Because young people tend to vote in a much smaller proportion than do older ones, this shift resulted in lower overall participation rates.



Electoral Votes Cast for President by Major Political Parties, 1948 - 1976



1948

HAWAII

Washington D.C.



1948

Truman



1960

HAWAII

Washington D.C.

Democratic

Unpledged or
Other Parties
1968 - American
Independent



1976

Carter

HAWAII

Washington D.C.



1964

Johnson

ALASKA

HAWAII

Washington D.C.



1968

1960
Kennedy

HAWAII



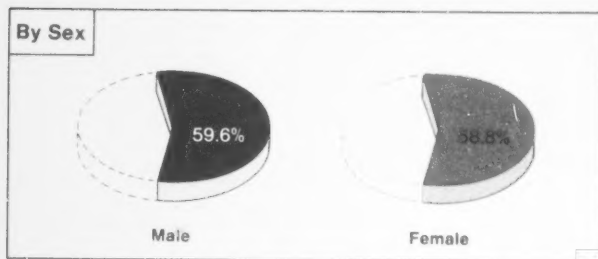
1966

Eisenhower

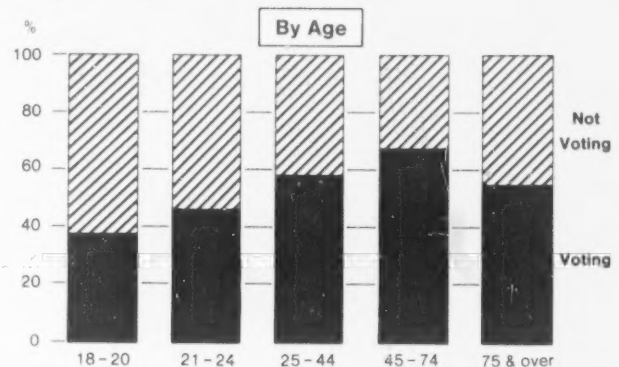


Who Voted in The 1976 Election

Percent of Civilian Noninstitutional Population of Voting Age



Historically, voter participation in the United States has been fairly low; the first time more than one-half of the eligible population voted was in 1928, eight years after universal suffrage was established. The high point of voter participation was in 1960, when 63% of the population voted—31% casting a ballot for the winning candidate. But as in all other Presidential elections, the plurality was held by nonvoters, as 37% of the voting-age population did not vote. Voter participation has declined in each election since 1960. And the number of persons voting for the winning candidate has, in every

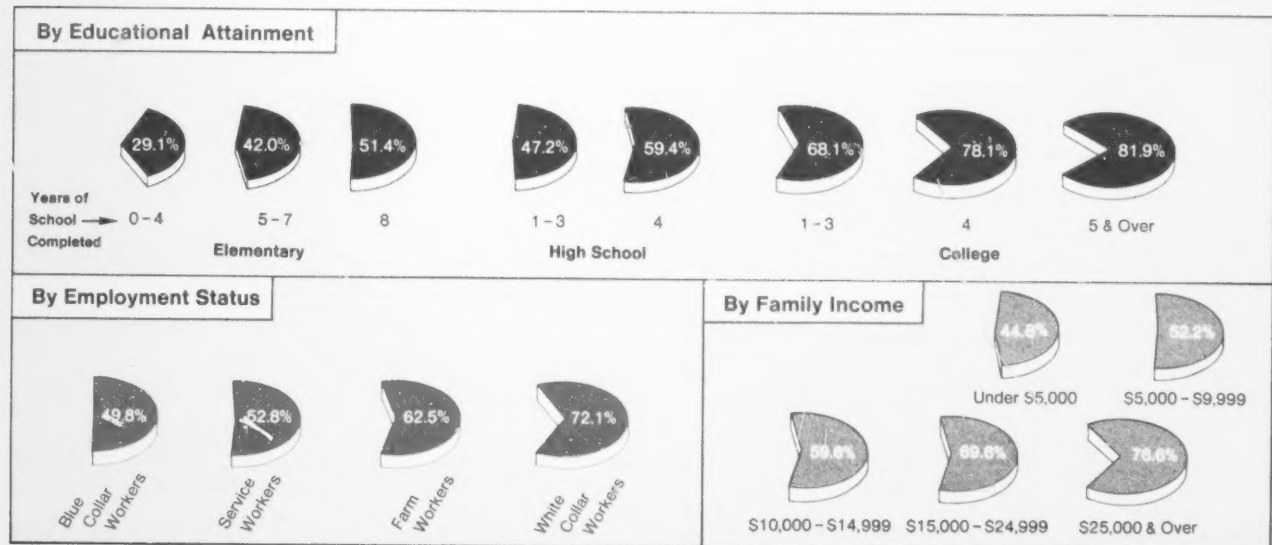
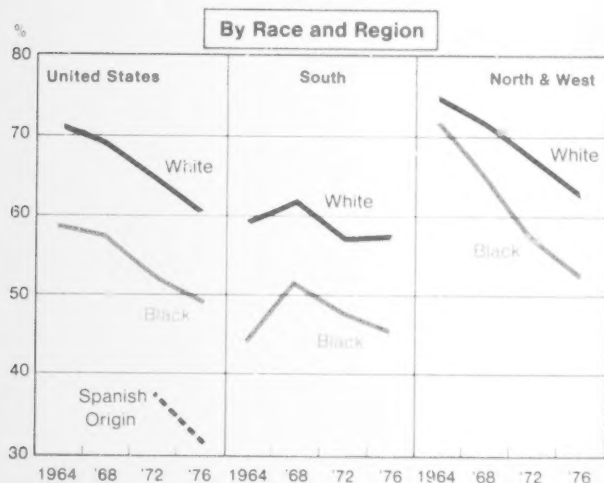


instance, been less than the number of persons not voting at all.

The Census Bureau estimates that there will be 160 million persons of voting age this November. Not all are eligible to vote—aliens, prison inmates, the mentally incompetent are all excluded from the electoral process. Since U.S. voter-turnout percentages presented here are based on the total population of voting age, the United States suffers somewhat in comparison with other countries where turnout is calculated on the number of registered voters. Also, the U.S. system leaves registration up to the individual (less than 70% in 1976), who is not obligated to register. In most other western countries, the government is responsible for maintaining the register of electors, and some countries have made voting compulsory, with failure to vote punishable by a fine.

What are some of the main characteristics of the American voter, and how have they changed over time?

Voting participation has been declining among both men and women. In 1964, turnout was much higher for men but by 1976 they were approximately equal at about 60 percent. As there are more women than men in the eligible population, there are more women voters.



Voter Turnout in Presidential Elections



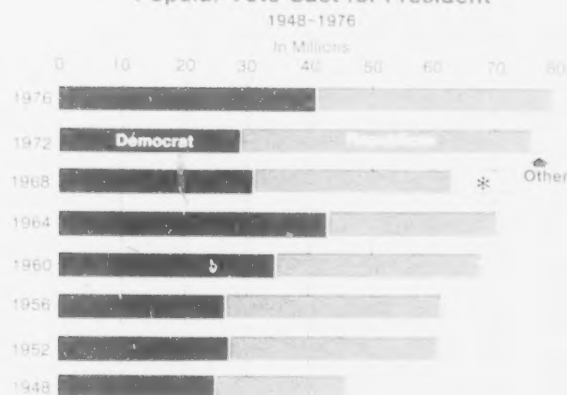
Percent Casting Vote

- 70 & over
- 65-69.9
- 60-64.9
- 50-59.9
- Under 50



Voting turnout for both whites and blacks in 1976 was about 19% below their respective levels in the 1964 election, and for persons of Spanish origin it was 6% below that of 1972, the first year in which figures were tabulated for that group. There will be approximately 141 million whites and 17 million blacks as well as 3 million persons of other races of voting age this year.

Popular Vote Cast for President



* Includes 19 million votes cast for U.S. Vice President in 1976.

(The Spanish-origin population of voting age, which includes both whites and blacks, was estimated at 7.1 million in March 1979.) Both blacks and other minority races are increasing their share of the voting-age population.

A considerable shift of young-age population from the Northeastern and North Central States to the South and West has taken place since the last Presidential election. The number of voting-age people should be about 9 million higher in the South and West in 1980, while the Northeastern and North Central States are expected to add 5 million to the rolls.

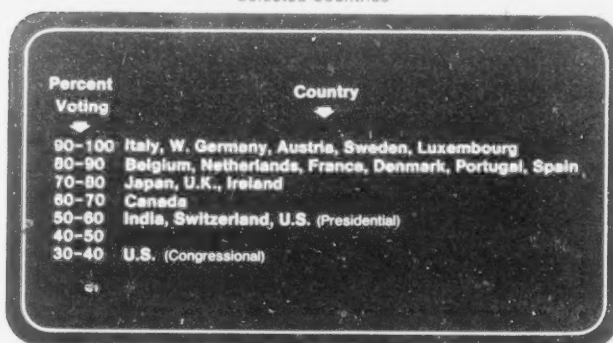
Past experience shows that voting is closely related to socioeconomic status. Thus, the more education a person has, the more likely he or she is to vote. By the same token, persons in white-collar occupations and those with incomes of \$25,000 and over have the highest turnout rates. Although overall black turnout has been considerably lower than that of whites, the difference shrinks considerably when differences in education and other socioeconomic characteristics are allowed for. Thus, college-educated blacks are as likely to vote as college-educated whites, and whites with little formal schooling are as unlikely to vote as are similar blacks.

Eva Culen

Sources: U.S. Department of Commerce, Bureau of the Census; The Conference Board.

Voter Turnout in Most Recent General Elections

Selected Countries



ECONOMIC ROAD MAPS

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